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PARIS FOR LEAF; LONDON FOR SUTPHIN; NICOSIA FOR ILMG

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TAGS: [PREL](#) [PTER](#) [PGOV](#) [IR](#) [KISL](#) [IS](#) [LE](#)  
SUBJECT: THE SOUTH: HIZBALLAH STRATEGIC, TACTICAL  
DIVISIONS

REF: A) BEIRUT 5373, B) BEIRUT 4669

CLASSIFIED BY AMBASSADOR DAVID M. SATTERFIELD.  
REASON 1.5 B AND D.

¶1. (C) SUMMARY: SPECULATION OVER A FUTURE ISRAELI WITHDRAWAL (UNILATERAL OR THROUGH NEGOTIATIONS) FROM SOUTH LEBANON HAS GIVEN RISE TO DIFFERENCES AMONG HIZBALLAH'S SENIOR LEADERS ABOUT THE PARTY'S FUTURE. THE PROSPECT OF CHANGE HAS COMPELLED THE PARTY TO BEGIN SPECIFIC PLANNING FOR THE ROLE IT WILL PLAY IN A POST-PEACE, POST-WITHDRAWAL LEBANON. ITS CHOICE IS REALLY NO CHOICE AT ALL: WHETHER TO ACCELERATE ITS DECADE-LONG TRANSFORMATION INTO A LEGITIMATE POLITICAL PARTY (YET ONE ALWAYS LIMITED BY ITS SECTARIAN IDENTIFICATION) OR TO REMAIN A FRINGE ELEMENT IN LEBANESE POLITICS (UNDER EITHER SCENARIO, WE EXPECT EFFORTS TO INSULATE AND PROTECT HIZBALLAH TERRORIST CELLS, FOR USE BY IRAN AND SYRIA AS TRAINERS AND AGENTS OUTSIDE LEBANON).

¶2. (C) THE RESUMPTION OF ISRAELI-SYRIAN NEGOTIATIONS HAS INTENSIFIED THE DEBATE WITHIN HIZBALLAH ABOUT IDENTIFYING AND SECURING ITS FUTURE ROLE IN LEBANON. IN THIS UNCERTAIN ATMOSPHERE, HIZBALLAH SECRETARY-GENERAL HASSAN NASRALLAH HAS REMAINED THE LOCUS OF POWER FOR THE PARTY, AND LEADS THE MORE PRAGMATIC, POLITICAL WING. HIS DEPUTY, NA'IM QASSIM, AND MILITARY OFFICIAL MUHAMMAD YAZBAK LEAD A MORE EXTREME WING TOUTING THE LIBERATION OF JERUSALEM AS A NEW GOAL TO RALLY THE TROOPS, AND RESIST ANY TYPE OF REGIONAL NORMALIZATION WITH ISRAEL.

¶3. (C) IF PRAGMATISM WINS OUT, AND THIS APPEARS LIKELY (EVEN WITHOUT SYRIAN URGING), HIZBALLAH FACES CHALLENGES IN BROADENING ITS BASE, FINDING A NEW MESSAGE TO INSPIRE SUPPORT, AND TRANSFORMING ITS PUBLIC IMAGE FROM RELIGIOUS ZEALOTS AND MILITIAMEN TO RESPONSIVE, LEGITIMATE POLITICAL PLAYERS. REMAINING TRUE TO ITS ISLAMIC PRINCIPLES WILL MEAN AVOIDING NEPOTISM, CORRUPTION, AND AUTHORITARIANISM -- TRADITIONAL FEATURES OF LEBANESE POLITICS. CAN HIZBALLAH DEVELOP A COHERENT, CREDIBLE AND APPEALING MESSAGE -- ANTI-NORMALIZATION, SOCIAL GOOD DEEDS, ADVOCACY OF THE "DISPOSSESSED" -- WHILE MANEUVERING IN THE SNAKEPIT OF LEBANESE POLITICS? CAN IT RETAIN ITS POPULARITY AS IT CUTS THE DEALS WITH LEBANESE POLITICIANS AND SYRIAN INTELLIGENCE OFFICERS THAT GET MPS ELECTED, WITH INEVITABLE COMPROMISES, AND TARNISHED REPUTATIONS? CAN ITS OFFICERS DELIVER ON HIGH-HOPES OF REVOLUTIONARY CHANGE SHOULD ANY ONE OF THEM GAIN A MINISTRY -- ASSUMING THAT INCLUSION IN GOVERNMENT IS DESIRED?

¶4. (C) UNTIL NOW, HIZBALLAH HAS HAD THE BEST OF TWO WORLDS: IT IS A LEGITIMATE POLITICAL PARTY WITH A STRONG BLOC IN PARLIAMENT, YET IT IS ALSO AN ARMED MILITIA WHICH GAINS ENORMOUS, CROSS-CONFESSIONAL POPULARITY FOR FIGHTING OCCUPATION WHEN THE STATE DID NOT. A LONG ERA, WHICH ALLOWED THE PARTY TO HAVE ONE FOOT IN THE SYSTEM AND ONE FOOT OUTSIDE CHALLENGING THAT SYSTEM, IS DRAWING TO A CLOSE. AS

IT UNDERGOES THE DEFLATING PROCESS OF MOVING FULLY INTO LEGITIMATE POLITICS AND -- MOST IMPORTANTLY -- A CRITICAL DECISION ON RETAINING ITS TERRORIST ACTIVITIES, THE PARTY MAY FIND IT HAD AN EASIER TIME FIGHTING THE IDF IN THE SOUTH. THIS CABLE CONTINUES OUR SERIES ON SOUTH LEBANON ON THE EVE OF CHANGE. END SUMMARY.

HIZBALLAH: UNITY IN PUBLIC, DEBATE IN PRIVATE  
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15. (C) THROUGHOUT THE LEBANESE MEDIA'S DAILY SPECULATION OVER THE FUTURE PROSPECT OF AN ISRAELI WITHDRAWAL FROM SOUTH LEBANON, HIZBALLAH HAS MAINTAINED A PUBLIC POSTURE OF UNANIMITY DECLARING THAT AN ISRAELI WITHDRAWAL WILL NOT FUNDAMENTALLY CHANGE THE MOVEMENT'S STRATEGY AND TACTICS. HOWEVER, CONVERSATIONS WITH SEVERAL LEBANESE OFFICIALS AND ACADEMICS TELL A DIFFERENT STORY. THE SENIOR LEADERSHIP OF HIZBALLAH (PRIMARILY THE SHURA COUNCIL, THE POLITICAL WING, THE MILITARY WING), HAS BEEN ENGAGED IN A "VIGOROUS DEBATE," IN THE WORDS OF ONE AUB POLITICAL SCIENTIST, OVER HOW TO RESPOND TO AN ISRAELI WITHDRAWAL. THE STRATEGIC DEBATE HAS FOCUSED ON HOW BEST TO REMAIN A VIABLE AND EFFECTIVE PART OF THE LEBANESE POLITICAL LANDSCAPE IN THE SOUTH, AS WELL AS KEY CONSTITUENCIES IN BEIRUT, SHOULD THE ACTIVE MILITARY RESISTANCE END.

16. (C) THE RESUMPTION OF THE ISRAEL-SYRIA TRACK OF THE MIDDLE EAST PEACE PROCESS IS LIKELY TO INTENSIFY THE DEBATE WITHIN HIZBALLAH'S SENIOR LEADERSHIP ABOUT ITS FUTURE ROLE IN LEBANON. IN THIS DEBATE, SECRETARY-GENERAL HASSAN NASRALLAH CONTINUES TO MAINTAIN HIS DOMINANCE AS THE DE JURE AND DE FACTO HEAD OF THE PARTY. HOWEVER, TWO CAMPS HAVE EMERGED OVER HOW TO DEAL WITH THE WITHDRAWAL. NASRALLAH AND THE HIZBALLAH MEMBERS OF PARLIAMENT REPRESENT WHAT HAS BEEN TERMED THE "PRAGMATIC" WING OF THE PARTY THAT WISHES TO DEVOTE MORE RESOURCES TO HIZBALLAH'S POLITICAL AND SOCIAL AGENDA IN BEIRUT, THE BIQA', AND THE SOUTH ONCE THE IDF/SLA VACATE THEIR POSITIONS. LEBANESE OBSERVERS DOUBT THAT NASRALLAH WISHES TO DISMANTLE THE MILITARY WING OF HIZBALLAH, BUT HE REALIZES HE MAY HAVE LITTLE CHOICE IF THERE IS A PEACE AGREEMENT BETWEEN ISRAEL AND SYRIA.

17. (C) A MORE EXTREMIST WING IS LED BY DEPUTY SEC GEN NA'IM QASSIM AND MILITARY COMMANDER MUHAMMAD YAZBAK. THIS WING WISHES TO MAINTAIN A HARD-LINE AGAINST THE ISRAELIS BY TRUMPETING THE ISSUE OF JERUSALEM AS ITS "CAUSE CELEBRE," AND AGITATING AGAINST ANY TYPE OF NORMALIZATION WITH ISRAEL SHOULD A FUTURE PEACE TREATY BE SIGNED. THIS WAS EVIDENCED BY QASSIM'S NOVEMBER REMARKS TO HIZBALLAH SUPPORTERS IN BA'ALBACK-HERMEL. IN CONTRAST TO NASRALLAH'S PARTY MAINSTREAM, THIS WING CONTINUES TO ENOUNCE THE GOALS OF THE 1979 IRANIAN REVOLUTION AND ITS EXPORT TO OTHER COUNTRIES -- ESPECIALLY LEBANON.

18. (C) HIZBALLAH'S SPIRITUAL LEADER, MUHAMMAD HUSAYN FADLALLAH, REPRESENTS ANOTHER LEADERSHIP AXIS. HIS AGENDA LIES IN HIS ASPIRATION TO BE REGARDED AS THE "MARJA'IIYYA" (SPIRITUAL AUTHORITY) OF THE SHI'A OF LEBANON (AND IDEALLY, THE WORLD). FADLALLAH AND NASRALLAH ARE OFTEN AT ODDS, AND FADLALLAH HAS OVER THE YEARS DRIFTED AWAY FROM ANY DIRECT INVOLVEMENT WITH THE PARTY -- YET RETAINS CONSIDERABLE MORAL AUTHORITY OVER ITS RANK-AND-FILE, AND THUS CANNOT BE IGNORED BY ITS LEADERSHIP. HOWEVER, HE TOO MUST BE MINDFUL OF DIVISIONS WITHIN THE PARTY; HIS OWN AMBITION TO BE REGARDED AS A SPIRITUAL AUTHORITY REQUIRES THAT HE NOT TAKE SIDES BETWEEN PRAGMATISTS AND HARD-LINERS.

19. (C) THE PRAGMATIC/HARD-LINE RIFT BECAME PUBLIC KNOWLEDGE WITH FORMER SECRETARY GENERAL SUBHI TUFAYLI'S "REVOLT OF THE HUNGRY" DURING 1996-1997.

TUFAYLI'S REVOLT WAS A FORK IN THE ROAD FOR HIZBALLAH OVER ITS FUTURE ACTIVITIES. TUFAYLI'S SCHOOL OF THOUGHT ARGUED FOR MORE MILITANT ENGAGEMENT IN LEBANESE AND REGIONAL POLITICS -- PRIMARILY INCREASED RESISTANCE ATTACKS IN THE SOUTH -- WHILE THE OTHER SCHOOL ENCOURAGED GREATER EMPHASIS ON HIZBALLAH SOCIAL AND CHARITABLE PROGRAMS, AND MORE ACTIVE INVOLVEMENT IN THE LEBANESE POLITICAL SYSTEM. QASSIM AND YAZBAK ARE THOUGHT TO HAVE BEEN MORE SYMPATHETIC TO TUFAYLI'S OVERALL STAND REGARDING A MORE MILITANT POLITICAL AND MILITARY AGENDA, BUT WERE AWARE THAT OPENLY SIDING WITH THE FORMER SECRETARY-GENERAL MEANT POLITICAL SUICIDE. THE SQUELCHING OF TUFAYLI'S REVOLT WITH SYRIAN SUPPORT IS EVIDENCE THAT HIZBALLAH'S EXTREME FACTIONS DID NOT, AND WILL NOT PREVAIL.

#### HIZBALLAH CONSIDERING FUTURE SCENARIOS

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110. (C) MUCH OF THE TACTICAL DISCUSSION OF THE FUTURE CENTERS ON THE TYPE OF WITHDRAWAL THE IDF WILL IMPLEMENT, HOW TO RESPOND TO IT, AND HOW TO MANEUVER IF A SYRIA-ISRAEL PEACE TREATY IS CONCLUDED. THE ACTIVE MILITARY RESISTANCE HAS BEEN ONE OF THE KEY PILLARS OF HIZBALLAH'S LEGITIMACY AND EFFECTIVENESS THROUGHOUT LEBANON AND REMOVING IT IS LIKELY TO SAP PARTY STRENGTH. AS A RESULT, HIZBALLAH'S LEADERS HAVE BEEN PONDERING WHAT SOUTH LEBANON WILL LOOK LIKE WITH AN ISRAELI WITHDRAWAL COUPLED WITH OVERT, OR COVERT, SYRIAN SECURITY GUARANTEES. STUDY GROUPS HAVE BEEN FORMED TO DISCUSS FUTURE POSSIBILITIES. IN PUBLIC, HASSAN NASRALLAH REMAINS SILENT OVER HOW HIZBALLAH WILL REACT TO A WITHDRAWAL, OR A FUTURE PEACE TREATY BETWEEN SYRIA AND ISRAEL. HIZBALLAH'S REACTION TO THE RECENT SLA SHELLING OF A SCHOOL IN ARAB SALIM (REF A) MAY BE TELLING OF THE FINE LINE THAT HIZBALLAH WALKS IN LEBANESE POLITICS. NASRALLAH WAS QUOTED ON NOVEMBER 17 AS SAYING THAT THE ATTACK "DESERVES RETALIATION BY THE RESISTANCE ON SETTLEMENTS IN NORTHERN PALESTINE...HOWEVER, FOR NOW WE WILL JUST SEND A CLEAR AND FIRM WARNING TO THE ENEMY." THIS IS BUT THE LATEST EPISODE TO SHOW THAT THE MILITIA IS ON A TIGHT SYRIAN LEASH, AND WILL LAY DOWN ITS ARMS WHEN DOING SO SERVES SYRIAN INTERESTS. THE PARTY THEN FACES THE OBVIOUS CHALLENGE, BEGUN NINE YEARS AGO WHEN IT ENTERED PARLIAMENT, OF TRANSFORMING ITSELF INTO A LEGITIMATE AND APPEALING POLITICAL PLAYER, BUT WITHOUT THE UNIFYING FORCE OF ACTIVE RESISTANCE. YET ENTERING THE FRAY MORE FULLY MEANS DEALING WITH THE SMALL COMPROMISES AND CONDITIONS WHICH MAKE LEBANESE POLITICS SUCH AN UNDIGNIFIED SPORT.

#### CONTINUING THE POLITICAL COMPETITION WITH AMAL

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111. (C) LIKE ALL OTHER POLITICAL FACTIONS HERE, HIZBALLAH IS PREPARING FOR THE Y2000 PARLIAMENTARY ELECTIONS. NABIH BERRI'S AMAL MOVEMENT HAS CAPTURED THE SUPPORT OF MANY OF THE TRADITIONAL FAMILIES OF SOUTH LEBANON INCLUDING THE 'USAYRANS AND BAYDOUNS OF SIDON AND TYRE RESPECTIVELY. THESE FAMILIES HAVE STRONG TIES TO BEIRUT'S RULING CLASS AND SYRIAN LEADERSHIP CIRCLES, AND SURPRISING RESILIENCE IN THE SOUTH AS DELIVERERS OF LARGE BLOCS OF WHOLESALE VOTES. ONE OPTION FOR HIZBALLAH IS TO COURT THE NEWEST EMERGING ECONOMIC GROUP IN THE SOUTH -- THOSE POORER LEBANESE WHO LEFT THE SOUTH AFTER 1978 AND MADE THEIR FORTUNES IN ABIDJAN, CONAKRY, AND DETROIT. SOME OF THESE FAMILIES HAVE RETURNED HOME, OR AT LEAST BUILT PALATIAL SUMMER VILLAS TO LET PEOPLE KNOW THAT THEY HAVE MADE IT. MANY OF THESE CITIZENS PUT CASH INTO AMAL'S COFFERS. HOWEVER, HIZBALLAH COULD WOO THIS CLASS -- ALREADY TAPPED FOR PARTY CHARITABLE ORGANIZATIONS, SUCH AS THE ORPHANS

AND MARTYRS FUNDS -- TO HELP SUSTAIN A POLITICAL PRESENCE IN THE SOUTH. THEY COULD BECOME AN IMPORTANT ALTERNATIVE FUNDING SOURCE SHOULD IRANIAN FINANCIAL RESOURCES DRY UP.

¶12. (C) HIZBALLAH WILL HAVE CERTAIN ADVANTAGES IN COMPETING WITH AMAL. WHILE NABIH BERRI HAS KEPT MANY OF THE LARGE, TRADITIONAL FAMILIES OF THE SOUTH IN HIS POCKET, MOST OF THAT SUPPORT IS BASED ON BERRI'S PERSONAL RELATIONS WITH FAMILY HEADS, BERRI'S "CULT OF PERSONALITY," AND FEAR OF BERRI'S WRATH. HOWEVER, THE MOST IMPORTANT FACTOR IS SYRIAN ELECTORAL MANAGEMENT PRACTICES. THEY USUALLY ENCOURAGE FORMATION OF PRE-COOKED "GRAND ALLIANCES" AMONG ALL MAJOR, ACCEPTABLE POLITICAL FACTORS, HOWEVER UNNATURAL SUCH AN ALLIANCE MAY BE. THUS THE WINNING SOUTHERN TICKET FOR Y2000 ELECTIONS UNDOUBTEDLY WILL INCLUDE A PRE-DETERMINED NUMBER OF CANDIDATES FROM BOTH AMAL AND HIZBALLAH, WITH A SPRINKLING OF TRADITIONAL FAMILY ELDERS, WHO CAN DELIVER VOTES AND MONEY.

¶13. (C) HIZBALLAH HAS TRUE GRASSROOTS ORGANIZATIONS THROUGHOUT THE SOUTH, THE BIQA', AND IN THE SOUTHERN SUBURBS. BUT THE NUMBER OF SEATS IT WILL GAIN IN THE HOUSE WILL BE A PRODUCT OF THE PRE-BALLOT, BACK ROOM NEGOTIATIONS WITH BERRI AND SYRIAN MILITARY INTELLIGENCE CHIEF FOR LEBANON, GHAZI KANAAN OVER DISTRIBUTION OF SEATS IN THE "GRAND ALLIANCE." KANAAN IS EXPECTED TO RECOGNIZE THAT HIZBALLAH WILL HAVE EARNED A FEW ADDITIONAL SEATS THIS YEAR (THREE, SAYS CURRENT SPECULATION: TWO IN THE BIQA' AND ONE IN THE SOUTHERN SUBURBS). COMBINED WITH ANTICIPATED EFFORTS BY PRESIDENT LAHOUD TO CUT BERRI (A MAJOR OBSTACLE TO REFORMS) DOWN A NOTCH, Y2000 MAY BE A GOOD ELECTORAL YEAR FOR HIZBALLAH. HOWEVER, THE RESULTS WILL HAVE ONLY A NOTIONAL CONNECTION WITH THE PARTY'S VOTE-GATHERING CAPACITY. THEY WILL ALSO BE A HARBINGER OF THE COMPROMISES AND DISAPPOINTMENTS, WHICH THE PARTY WILL FEEL AS IT MORE FULLY ENGAGES ITS ENERGIES IN THE LEBANESE POLITICAL FRAY. (NOTABLY, OUR AMAL CONTACTS INDICATE AN EXPECTATION THAT IF A PEACE WITH ISRAEL PRECEDES ELECTIONS, DAMASCUS WILL HAVE LESS NEED FOR HIZBALLAH, AND BE MORE INTERESTED IN PROMOTING BERRI, GIVEN HIS GREATER UTILITY TO SYRIA IN LEBANESE DOMESTIC POLITICS.)

A CABINET SEAT TO SWEETEN TRANSITION?  
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¶14. (C) HIZBALLAH'S RELATIONS WITH THE GOL HAVE FURTHER FUELED DEBATE WITHIN ITS SENIOR LEADERSHIP ABOUT THE FUTURE. HIZBALLAH FIRST BEGAN ITS LONG-TERM INVESTMENT IN LEGITIMACY WHEN IT ENTERED PARLIAMENTARY ELECTIONS, AND PARLIAMENT, IN 1992. THEY HAVE, HOWEVER, NOT BEEN OFFERED A CABINET SEAT -- IN PART BECAUSE OF RELUCTANCE ON THE PART OF THE HARIRI AND HOSS GOVERNMENTS TO BRING THEM IN AND IN PART DUE TO STRONGLY EXPRESSED U.S. OPPOSITION. PRESIDENT LAHOUD HAS COURTED THE PARTY (IN PART TO ANNOY NABIH BERRI, IN PART BECAUSE IT SEEMS POPULAR, AND IN PART BECAUSE HE THINKS IT WILL MAKE IT EASIER FOR HIM TO MANAGE THE PARTY LATER). MUCH OF HIZBALLAH'S POLITICAL AND SOCIAL AGENDA PARALLELS LAHOUD'S -- ANTI-CORRUPTION, ADDRESSING SOCIAL PROBLEMS, AND CREATING VIABLE STATE INSTITUTIONS. IN APRIL, LAHOUD SPOKE AT "THE NATIONAL CONFERENCE TO SUPPORT THE RESISTANCE" EMPHASIZING THAT THE RESISTANCE IS NOT LIMITED TO A SINGLE PARTY, BUT IS PART OF A MUCH LARGER NATIONAL MOVEMENT.

¶15. (C) THIS ONGOING DANCE WILL RAISE EXPECTATIONS THAT THE PARTY WILL BE OFFERED A CABINET SEAT, TO RECOGNIZE ITS ROLE IN LIBERATING THE SOUTH AND AS A SWEETENER AS THE MILITIA DISARMS (THIS WAS THE TACTIC USED IN 1991 WITH MOST OTHER LEBANESE MILITIAS, AT THE END OF THE CIVIL WAR). BUT IT IS

NOT YET CLEAR WHETHER NASRALLAH IS PREPARED TO TAKE THE PLUNGE OF ENTERING THE CABINET -- THEREBY ENDING HIZBALLAH'S ABILITY TO DISASSOCIATE ITSELF FROM GOVERNMENT ACTIONS IT MAY NOT APPROVE. IN GOVERNMENT, HIZBALLAH WOULD FACE AN INEVITABLE PROCESS OF COOPTION. IT WOULD BE DIRECTLY CHALLENGED TO PROVE THAT IT CAN DELIVER ON ITS PROMISES FOR SOCIAL WELFARE AND CHANGE, YET WOULD HAVE LITTLE REAL AUTHORITY, GIVEN THE CONSTRAINED NATURE OF LEBANON'S CABINET SYSTEM.

¶16. (C) WITH RESISTANCE GONE, HIZBALLAH WILL HAVE TO ADAPT TO A DIFFERENT POLITICAL-MILITARY SITUATION IN THE SOUTH, AS WELL AS BEIRUT. HIZBALLAH WILL DEVOTE MORE RESOURCES TO ITS POLITICAL WING (A TREND ALREADY UNDERWAY). IT HAS DROPPED -- BUT NOT REPUDIATED -- ITS CALL FOR AN ISLAMIC REPUBLIC (A NON-STARTER IN A LAND OF MINORITIES). HIZBALLAH HAS REACHED OUT TO CHRISTIAN PARTIES AND THE MARONITE PATRIARCH TO PROMOTE ISSUES OF COMMON CONCERN LIKE ANTI-CORRUPTION AND TAX REFORM, AND POLITICAL DIALOGUE. THIS PROCESS OF "DE-DEMONIZATION" OF THE PARTY AMONG CHRISTIANS IS WORKING, IF THE INFATUATION OF MANY OF THE MARONITE PATRIARCH'S ADVISOR WITH THE DIALOGUE IS ANY GUIDE.

¶17. (C) BUT WHAT WILL BE THE NEW MAINSPRING FOR THE PARTY? ABSENT THE UNITING FORCE OF MILITARY RESISTANCE OR OF A CREDIBLE AGENDA FOR ISLAMIC CHANGE IN THIS PLURALISTIC SOCIETY, WHAT WILL BE HIZBALLAH'S MESSAGE? UNDOUBTEDLY, IT WILL FOCUS ON OPPOSING NORMALIZATION WITH ISRAEL, ON ANTI-CORRUPTION AND FAMILY VALUES, AND ON ADVOCACY OF THE POOR AND DISPOSSESSED SHI'A OF THE SOUTH, BIQA', AND BEIRUT'S SOUTHERN SUBURBS (THE ORIGINAL PLATFORM INSPIRING FORMATION OF AMAL MOVEMENT). HIZBALLAH CAN MORE CREDIBLY PROMOTE THESE OBJECTIVES THAN ANY OTHER PARTY IN LEBANON. HOWEVER, THE SECTARIAN NATURE OF LEBANESE POLITICS, REFEREED BY SYRIA, MEANS ANY SHI'A PARTY WILL HAVE ONLY ON A NARROW PIECE OF THE PLAYING FIELD. UNDER THIS CONDITION, IT CANNOT ASPIRE TO NATIONAL LEADERSHIP.

COMING TO TERMS WITH CHANGE  
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¶18. (C) HIZBALLAH IS NOT LIKELY TO FADE ONCE ISRAEL WITHDRAWS, BUT IT WILL FACE THE SAME TYPES OF CHALLENGES THAT OTHER LEBANESE POLITICAL ENTITIES FACE, AND THE IN-BUILT INHIBITING FACTOR OF REPRESENTING ONLY ONE RELIGIOUS SECT AMONG 17 IN LEBANON. CHALLENGES INCLUDE TRADITIONAL POLITICAL RIVALRIES WITHIN THE SHI'A COMMUNITY AND SYRIAN DOMINATION OF LEBANESE POLITICS. BROADENING ITS BASE OF POLITICAL SUPPORT AND TRANSFORMING ITS PUBLIC IMAGE FROM RELIGIOUS ZEALOTS AND MILITIAMEN TO RESPONSIVE, LEGITIMATE POLITICAL PLAYERS WILL REMAIN THE PARTY'S KEY CHALLENGES FOLLOWING AN ISRAELI WITHDRAWAL. OTHER ISLAMIC PARTIES IN THE REGION HAVE ACCOMPLISHED THIS TRANSFORMATION FROM EXTREMISM TO THE MAINSTREAM, IN EGYPT, JORDAN, AND TURKEY. REMAINING TRUE TO ITS ISLAMIC PRINCIPLES WILL MEAN AVOIDING THE NEPOTISM, CORRUPTION, AND AUTHORITARIANISM OF TRADITIONAL LEBANESE POLITICAL PARTIES. HIZBALLAH WILL HAVE TO MANEUVER MORE ACTIVELY IN THE SNAKE PIT OF LEBANESE POLITICS, AND MAY WELL FIND IT HAD AN EASIER TIME FIGHTING THE IDF IN THE SOUTH.

¶19. (C) THIS PROCESS IS LIKELY TO CREATE A PARTY THAT FINDS ITS SELF-INTEREST REQUIRES MODERATION, NOT EXTREMISM, AND INSULATION FROM PARTY TERRORIST CELLS AND TERRORIST ASSOCIATIONS WHICH IRAN AND THE HIZBALLAH LEADERSHIP ITSELF MAY SEEK TO PRESERVE IN LEBANON TO ADVANCE AIMS ABROAD. SHOULD HIZBALLAH FIND A RELATIONSHIP WITH THE U.S. -- OR SIMPLY OUR RECOGNITION AS A LEGITIMATE POLITICAL/SOCIAL ORGANIZATION -- IN ITS INTERESTS (AT PRESENT, ALL



INDICATIONS ARE THAT THE GROUP HAS NO INTEREST IN CONTACT WITH THE USG, EVEN IF WE WERE WILLING), IT WILL HAVE TO ABANDON ALL INVOLVEMENT WITH TERRORIST ACTIVITIES HERE AND ELSEWHERE, ON ITS OWN PART AND THROUGH ASSOCIATION WITH OTHER GROUPS.

120. (C) AS WITH IRAN ITSELF, HIZBALLAH WILL SEEK TO MAINTAIN ITS DUALITY OF CONDUCT AS LONG AS POSSIBLE. AND AS WITH IRAN, WE WILL NEED TO CONTINUE TO MAKE CLEAR TO ALL CONCERNED -- INCLUDING THE GOL -- THAT THE U.S. WILL NOT DIFFERENTIATE BETWEEN AN "ACCEPTABLE" HIZBALLAH AND THE HIZBALLAH WHICH IS INVOLVED IN TERROR. IN THIS REGARD, WE ARE CONCERNED AT GROWING EVIDENCE THAT HIZBALLAH'S INVOLVEMENT -- IN COORDINATION WITH IRAN -- WITH GROUPS SUCH AS HAMAS AND THE PALESTINE ISLAMIC JIHAD IS INCREASING, NOT DIMINISHING AS A RESOLUTION OF SOUTH LEBANON AND AN END TO THE LEBANESE RESISTANCE RAISON D'ETRE APPROACHES.

SATTERFIELD